

August 1, 2014

SENATE BILL NO. 770
(First Reprint)

ADVANCE COPY

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 770 (First Reprint) without my approval.

This bill would prohibit public entities from entering into contracts for the privatization of government services under certain circumstances and would impose costly and burdensome requirements on private businesses seeking to enter into such agreements. Among the bill's many restrictive provisions is an arbitrary prohibition on privatization contracts that exceed five years in length, as well as a requirement that private contractors pay wages and benefits to their employees that are equal to or exceed wages and benefits paid to their public sector counterparts. Moreover, the bill requires contractors to hire public employees who are displaced from their employment due to the privatization of services and allows union representatives of public employees to review privatization proposals prior to the solicitation of bids by a public entity.

In sum, this bill creates an onerous and overly bureaucratic, process-laden system for privatizing government services, which will only serve to frustrate attempts by State and local officials to save taxpayer dollars. By proposing additional red tape into an already time-consuming process, and erecting further barriers to privatization, this bill will adversely impact New Jersey's already overburdened taxpayers. I will not support this thinly veiled effort to stymie privatization efforts under the guise of transparency.

Accordingly, I herewith return Senate Bill No. 770 (First Reprint) without my approval.

Respectfully,

[seal] /s/ Chris Christie
Governor

Attest:

/s/ Paul B. Matey

Deputy Chief Counsel to the Governor